

**“Partnering in Facilities Management:  
An Advantageous Approach for Public Sector Organisations”**

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## ABSTRACT

Managing and maintaining the built environment can account for 10% to 20% of an organisation's operational costs. With public sector expenditure reaching £550bn in 2005/06, increased pressure has been placed on organisations to promote "Best Value" practices and many universities, emergency services operators and government organisations have outsourced areas of their facilities management operations to private sector service providers in an attempt to improve resource efficiency and service effectiveness. During the last twenty years the benefits of outsourcing as a strategy have continued to be questioned and a number of issues, such as the development of adversarial relationships, have been highlighted. This has in part, led to the evolution of the "partnering" concept as applied to FM. With the culture of openness and collaboration the concept promotes, it has been seen as a way to address some of the weaknesses of outsourcing.

This report aimed to establish whether partnering is an advantageous approach for public sector organisations managing their facilities. In doing so it looked firstly at whether partnering as a concept addresses the outsourcing concerns echoed by organisations, secondly whether the partnering elements are aligned to those prioritised by public sector organisations and finally how the partnering arrangement can be successfully implemented and managed to make it an advantageous approach.

When answering the above questions the research has looked at how authors and public sector organisations regard outsourcing and the concept of partnering. In doing so the investigation has involved reviewing a number of articles, analysing the results from a self-administered survey, considering feedback obtained through interviews and exploring appropriate case studies. The results from each of these have been consistent and conclusive and there are two key findings established from the research. The first is that the emphasis on communication and commitment within partnering arrangements has been fundamental in addressing weaknesses of the FM outsourcing strategy, specifically the adversarial relationships that can develop. The second is through setting clear measurable objectives at the pre-contract stage and creating and maintaining the partnering culture of openness and collaboration, a mutually beneficial and advantageous relationship can be experienced by both public sector clients and FM service providers.

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## PREFACE

It is the aim of this research to supply both public sector organisations and FM service providers with background into the partnering concept and present how proposed clients currently view it as an FM strategy. It is intended that the research will be valuable for those considering pursuing partnering strategies as either the procurer or supplier of services.

The report considers partnering in terms of the relationship between the client and service provider in the context of managing small refurbishment projects, maintenance operations and soft FM services on a term contract of five to ten years at which point the contract would be procured again. It does not extend to the exploration of Private Finance Initiative / Public Private Partnerships (PFI/PPP) or Local Improvement Finance Trust (LIFT) projects. It should also be clarified that the aim of this report is to get the industry thinking about the “partnering” concept for FM by offering the initial research into a subject, which should be developed for further investigation.

The report structure is set out by firstly introducing the problem statement and research objectives in Chapter 1 and then providing background to the management dilemma during the literature review in Chapter 2. In Chapter 3 the methodology for conducting the research is outlined by setting out how the sample was selected and justifying why three particular approaches were felt most suitable. The results and key findings obtained from the three research methods are then presented in Chapter 4 in both tabular and graphical format and Chapter 5 discusses and analyses the results against the literature review to determine whether the research objectives have been met. This chapter also considers what improvements could have been made to the original methodology. The final chapter concludes the report by proposing recommendations and suggesting opportunities for further investigation.

A bibliography listing the articles and websites examined during the research and a set of appendices providing copies of the documentation utilised by the researcher when conducting the survey is included at the end of the report.

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## **CHAPTER 1 - INTRODUCTION**

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## INTRODUCTION

In recent years facilities management as a professional discipline has obtained recognition for the strategic as well as operational role it performs for an organisation. The management and maintenance of the building's plant, fabric and support services is still the primary function performed by the FM team, but its influence has extended. It is now widely recognised that the strategy adopted for managing the built environment has an impact on how successfully the facilities and the core business operates and how flexible each is in their ability to adapt to change and growth. Financially FM costs can account for 10% to 20% of an organisation's operational expenditure and is second only to salaries. The financial implications of the selected FM strategy will therefore require careful consideration especially by organisations receiving public funding for the management and maintenance of their estates.

According to Sir Michael Lyons' 2004 report to the Chancellor of the Exchequer titled *Towards Better Management of Public Sector Assets*, it was suggested that public sector buildings as a fixed asset account for £281.6 billion. As such it is clear to see why there has been increased pressure from central government for public sector organisations to promote efficient and effective ways of managing these buildings. This is further emphasised by the report when it is proposes that by 2010/11 with more efficient management of central government office accommodation alone, annual efficiency gains of at least £760 million could be made.

It is partly for this reason that there has been an increase in the public sector adopting the outsourcing strategy initiated in the 1980s where the management and implementation of a number of non-core business activities were transferred to external organisations. The aim was to save costs as the service providers took on overheads and risks and it was hoped that public sector clients could learn from their private sector suppliers. To put this strategy into financial terms research firm Kable, suggest that with public sector expenditure reaching £550 billion in 2005/06 more pressure was placed to contain costs and drive efficiencies and this has resulted in the outsourcing market realising £49.4 billion.

Since FM was a service targeted early by outsourcing there have been then a number of concerns raised by those in the industry about its success. The majority of these concerns, as will be seen in the literature review stem from what is deemed a lack of clear understanding, limited knowledge exchange and the absence of general agreement on a number of issues between clients and service providers. This has often resulted in adversarial relationships, which in themselves have had a financial impact.

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In 1994 Sir Michael Latham published a report titled *Constructing the Team*. The report highlighted that a fundamental problem in the construction industry was the adversarial manner in which clients and contractors operated and it recommended that “partnering” between those in the industry was vital if the industry was to survive. For the purposes of this report the definition of “partnering” offered by The Reading Construction Forum is used;

*“Partnering is a managerial approach by two or more organisations to achieve specific business objectives by maximising the effectiveness of each participant’s resources. The approach is based on mutual objectives, an agreed method of problem resolution and an active search for continuous improvement” (John Bennett & Sarah Jayes in European Construction Institute 1997:iii)*

In essence the concept aims to improve customer-supplier relationships by setting a culture of open communication and collaboration. Measurable objectives are agreed and set at the commencement of the contract and the organisations work together to achieve them. The understanding of a customer’s need to save money versus the supplier’s need to make money is often addressed using a shared pain/gain approach where cost savings or losses are shared. A successful partnering arrangement requires commitment at all levels of the organisation and an appreciation for innovation.

The partnering concept has been adapted to the FM service industry in an attempt to eradicate the adversarial relationships between client and supplier brought about by outsourcing. Premises and Facilities Management (PFM) highlighted the importance of partnering to the FM industry when in 1993 they founded the PFM Partnership Awards to provide a focus for partnerships in the FM sector.

### **Management Question**

This research report will look at partnering as applied to FM and aims to determine whether it is an advantageous approach for public sector organisations. There are two reasons why this management question needs to be answered.

First of all it has been suggested that public sector expenditure is exceptionally high. As such the UK Government introduced the concept of “Best Value” as a way to encourage the public sector to provide a quality of service at a reasonable cost. In effect the aim was to maximise quality and minimise wasted resources. To achieve this, the Government suggested

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organisations “partner” with other businesses and although the original concept applied to the services offered by authorities themselves it has resulted in the term becoming a “buzz” word where many organisations are applying it within their estate strategies. An example of this is University of Luton who suggest that a proposed saving of £360,000 could be made following a Best Value Review of their estate and facilities.

This leads to the second reason for the research. If an increasing number of public sector organisations are going to enter into partnering relationships either within a framework agreement with multiple FM service providers or adopting a total FM approach with a single supplier there is still a lack of available research on how partnering can be applied to the full spectrum of FM services. Although the value of maintenance and repairs account for over 40% of the construction industry, as suggested by Scottish Executive Research, the focus to date seems to have been on project specific partnering where construction disciplines such as architects, surveyors and engineers work with clients in a partnering arrangement. This is because Sir Michael Latham’s report focused the concept on construction of buildings rather than the services required to maintain them. As a result it seems that although there is theoretical data available, few exploratory investigations have made into partnering between clients and contractors providing planned maintenance operations or soft FM services.

### **Research Objectives**

In addressing the problem statement, and thus management dilemma, this research has three objectives.

#### *1) Is Partnering A Solution For Addressing Concerns Raised By Outsourcing?*

The first objective will be to establish why those in the FM industry and public sector organisations are concerned about outsourcing as a strategy and consider how partnering has evolved as a solution. Much of the research carried out to achieve this objective will be examined as part of the literature review as it stems from exploring secondary data. The information obtained through the questionnaires will also address this objective in terms of establishing what respondents, currently outsourcing FM operations, feel are the benefits of partnering.

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*2) Is There An Alignment Between The Needs Of Public Sector Organisations And The Key Elements Partnering Attempts To Address?*

The second objective is to establish whether the key outsourcing issues addressed by partnering are in line with those required by public sector organisations for managing their facilities. This is to ascertain whether partnering is an appropriate strategy. The results of the self-administered survey will help achieve this as the questionnaires ask public sector organisations to rank a number of factors in order of priority and it will depend on where priorities lie as to whether partnering should be adopted. Within this objective the advantages and disadvantage associated with partnering will also be considered and it is hoped the case studies will provide evidence of partnering promoting these priority elements.

*3) How Can Partnering Be Successfully Implemented To Make It An Advantageous Approach?*

Finally, once it has been established whether partnering is a suitable strategy, the report will address how the partnering relationship can be successfully implemented and managed to make it an advantageous approach. This will be achieved through exploring secondary data case studies and examining the views aired during the personal interviews.

Having outlined the research objectives the report will now review some of the literature available to provide a background to the management question.



## **CHAPTER 2 - LITERATURE REVIEW**

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## LITERATURE REVIEW

When starting the research for this report it seemed most available literature on partnering, as an industry concept, looked at it in the context of project specific partnering for construction projects with very little considering it in terms of FM services. This was certainly the case for authors such as John Bennett and Sarah Jayes with the Reading Construction Forum (1998) and Julian Critchlow (1998) who were responding to Sir Michael Latham's report. These publications were vital in providing background to the partnering concept but it was the articles sourced in journals such as *Facilities* that put the concept into the FM context. This literature review will now consider accounts from writers ranging from purely conceptual positions where opinion pieces are provided through to examples of real life case studies researched by the authors.

The literature reviewed for this report covers a ten-year period between 1995 and 2005 and some interesting findings can be summarised in relation to this timeframe. Firstly, partnering as a concept for FM was actually considered a decade ago by Oliver Jones who when writing about supplying FM services, wanted to "raise and debate the question of whether [partnering] is just the latest fad or whether there is a business rationale underlying the whole concept that is relevant to our industry" (1995:21). When speaking to those working in the industry today however, the understanding of supplier relationships within FM, much less partnering, appears to be in its infancy and in 2001 when comparing research into supplier relationships in the manufacturing sector to those in the service industry, Phil Roberts suggests "there has been less research into the design of the client [and specialist providers] interface in the delivery of services such as facilities and real estate management" (2001:269). These facts encourage and support the need for further exploration into partnering as a way to strategically procure and manage relationships between clients and suppliers of FM services.

The second interesting finding was how the views on partnering and outsourcing over this ten-year period have remained consistent with some identifying partnering as an outsourcing solution while others still maintain wariness about partnering and outsourcing altogether.

This review will look at two main elements highlighted by the literature and in doing so aims to establish a background to the management question and research. The first element examines the strategic role played by FM and looks at the views on outsourcing as a strategy and how some authors propose that partnering has evolved as a solution to the problems it presents. The

second element will consider what authors suggest are the key aspects to making the relationship a success and will look at setting out agreed service requirements and creating the “partnering” culture.

### Outsourcing and Evolution of Partnering

An organisation’s facilities can be managed by either an internal or external team, or a combination of both. For the purposes of this report an internal FM provider is defined as a single sourced multi-discipline team delivering a series of soft and hard FM services ranging from reception to maintenance on an ongoing basis. An outsourced team is not quite so straightforward and there are a number of possible strategies for both the procurement and management of this type of arrangement. Such strategies as proposed by some authors are summarised in Table 1.

Author	Stated Strategies for Managing Facilities
The Business Round Table (1996:6/7)	<ol style="list-style-type: none"> <li>1. Managing Agent - A contract exists between the customer and the managing agent organisation, which manages service contracts. Specific works or service contracts are between the customer and the various contractors. The managing agent may manage the customer's own staff, and fulfils the role of 'client representative'</li> <li>2. Managing Contractor - A contract exists between the customer and the managing contractor. Subcontractors have a direct contractual link with the managing contractor, not the customer</li> <li>3. Total FM - The TFM organisation supplies for a fixed price all support services through directly employed staff or by using outside suppliers. Instead of works or services contracts being provided in separate packages by individual companies, the customer puts out tenders only for the primary contract</li> </ol>
Williams (1996:29/30)	<ol style="list-style-type: none"> <li>1. Outsourcing some of the premises services</li> <li>2. Outsourcing on a commercial contract i.e. the transfer of tasks and management to a commercial contractor and leaving a smaller in-house team managing the contract and a relatively small in-house task force such as cleaners and security guards</li> <li>3. Total FM as described above</li> </ol>
Jones (1995:25)	<ol style="list-style-type: none"> <li>1. Short-term, single-source outsourcing contract</li> <li>2. Long-term, single-source contracts outsourcing contract</li> <li>3. Short-term, multiple-source contracts outsourcing contract</li> <li>4. Long-term, multiple –source contracts outsourcing contract</li> </ol>
Roberts (2001:270)	<ol style="list-style-type: none"> <li>1. The Intelligent Client - organisations retain a small kernel of expert staff to liaise with outsourced providers to act as creators and guardians of the facilities policy</li> <li>2. The Contract Manager – similar to the Managing Agent role presented by the Business Round Table</li> <li>3. The Partnering Champion</li> <li>4. The Hybrid Model (a combination of the previous)</li> </ol>

Table 1 Strategies for FM  
Source: See table

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Having considered the types of outsourcing arrangements that exist, the views presented by the literature can be explored.

In his paper delivered to the British Institute of Facilities Management, Bernard Williams (1996:26-29) takes a sceptical view on the financial benefits of traditional outsourcing and suggests external “profit hungry” contractors benefit from the internal FM team’s inefficiencies and as such only *appear* to be providing a better service. Though a strong statement, it does perhaps represent an accurate account of outsourcing during the period in which he was writing. He also goes on to argue, “value is not always directly calculable” which is certainly a fair point as it requires both qualitative assessment and quantitative measurement. When looking at partnering however, his experience which spans 30 years and includes both academic and consultancy work places him well to suggest it could be a solution due to the open-book arrangement where clients and suppliers are *both* working for a performance related bonus rather than a commercially generated profit.

David Pearson (2000:54-55) who specialises in contracts and procurement also airs on the side of caution and emphasises the danger of clients seeing outsourcing as a “panacea”. He uses the strategic significance of certain support services, of which FM is one, to try and position it within an organisation so it is prevented from being “an early target for outsourcing”. It is not that he is necessarily against outsourcing and indeed he highlights the opportunity of innovation that comes with it but he feels the decision makers’ thought process often neglects to consider the long-term strategic significance of FM. This is best summarised in his own words; “I advocate taking the long term view of the relationship needed between a buying organisation and its strategically important suppliers. But too many people have sought to commit themselves to such “partnering” without thinking through the consequences.” As a consultant and trainer in outsourcing one would consider this view to be well founded.

Although The Business Round Table (1996:7-11) are extremely pro partnering, their research background at Strathclyde Graduate Business School ensures they take an objective view when looking at outsourcing and they propose both advantages and disadvantages. This is done by examining a number of push and pull factors where a push factor may be the opportunity to bring in best practice and a pull factor might be the perceived threat to successful existing systems. It is the evolution process considered later in this review and how it compares to that of Sam Moreli which is of particular interest for this research.

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Oliver Jones (1995:21,23), an FM consultant, comments on the main problems associated with outsourcing such as increased external dependency and unaddressed concerns over confidentiality. Interestingly he uses these concerns to promote partnering as a solution to the burden of adversarial contracting. He does so by exploring the CBI's Partnership Sourcing Project which highlighted how the close and long-term working relationship between customer and supplier had "common goals, commitment, trust and mutual support". He even goes on to argue, "partnering is a precondition for success in facilities management" because it builds confidence where traditional outsourcing may have built alienation. It is however emphasised by Jones that it is not a "philanthropic gesture" but founded on the goal of "clear commercial competitive advantage" being sought by each party. It should be noted that the aim of the article is to put forward his opinion rather than use case studies to prove or disprove a hypothesis on partnering.

Neil Irwin (2004:20) views are similar to those offered by Jones. Focus is not on outsourcing problems as it is assumed the industry is aware of these. Irwin is writing from the perspective of PSL, a joint venture set up by the Department for Trade and Industry and the Confederation of British Industry with the aim of promoting partnering and therefore encourages it as a solution. He does so by looking at how FM has evolved over the last twenty years from simple building and support management to more complex specialist services. Relationships have also developed alongside this and moved from "destructive process of arms length trading and all its inherently wasteful secrecy" to "partnering based relationships between supply partners and clients across multiple sites and even across international borders". Through his writing he also suggests that emphasis on partnering relationships has tended to focus on manufacturing rather than services, a view that supports the management question for this research. He argues that building up relationships with companies supplying "vital services on which your organisation depend" is doubly important and strengthens his argument with the example that outsourced security staff should be knowledgeable and friendly with an organisation's clients rather than unfamiliar and rigid.

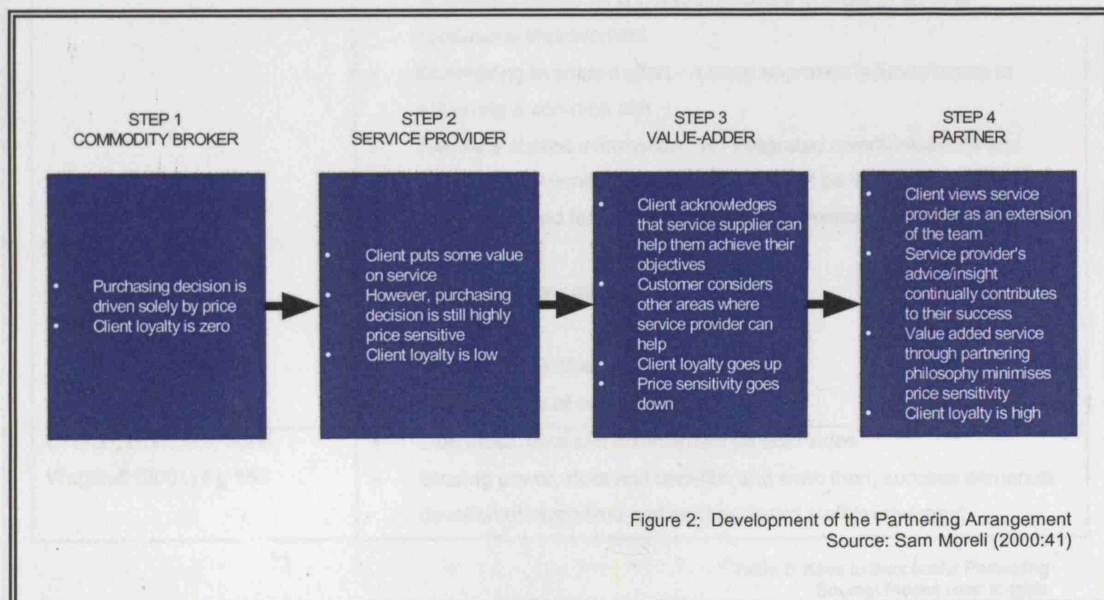
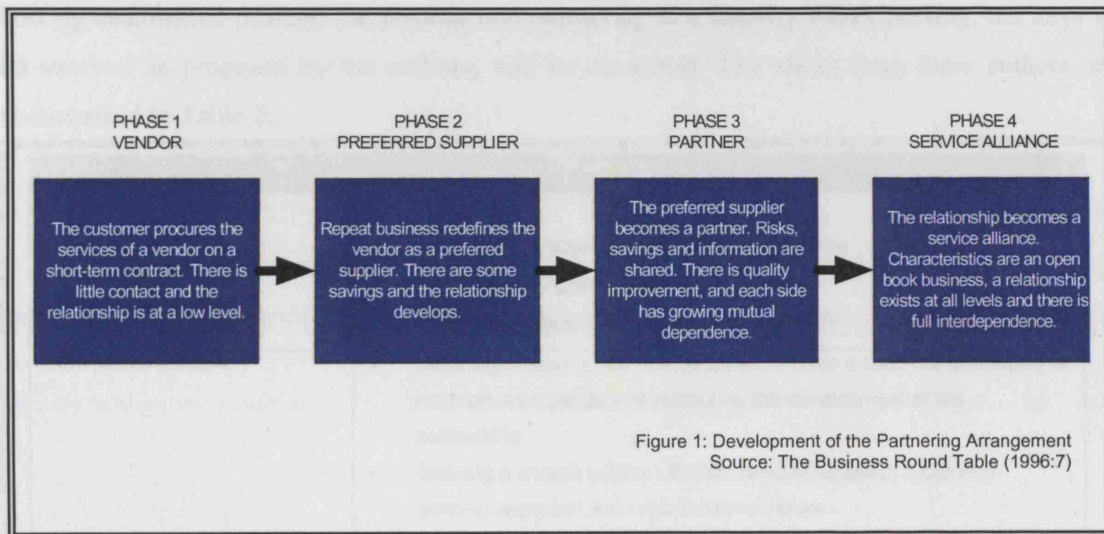
The Building Research Establishment (BRE) focus their report titled "Repair it with Effective Partnering" on how the partnering relationship can be a solution for organisations employing direct labour organisations (DLOs) to provide value for money when maintaining their buildings (2005:2). They elaborate on this theme by suggesting that repairs contracts are "ideal for partnering arrangements". This view is very important because it supports the need to look at partnering as applied to all elements of FM (2005:6).

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Before proceeding to look at what contributes to a successful partnering arrangement it is worth summarising the evolution processes proposed by Sam Moreli and The Business Round Table.

### *Evolution from Traditional Outsourcing to Partnering*

The Business Round Table (1996:7) and Moreli (2000:41) suggest a natural evolution process from traditional outsourcing has taken place whereby a partnering arrangement or service alliance is the ultimate aim. The development stages proposed by both authors are illustrated in Figures 1 and 2.





It is interesting to note from the above that Moreli sees partnering as the ultimate stage to achieve whereas the Business Round Table suggest it is the penultimate step before reaching a service alliance. It could be argued that this difference is merely a case of definition but if the reader is to clearly understand the concept in order to benefit from this research then partnering should be deemed the ultimate aim with the qualities of both a service alliance and partner being incorporated into the relationship, similar to the process proposed by Moreli.

### Making the Relationship a Success

Having established through the reading that partnering is a strategy worth pursuing, the keys to its success, as proposed by the authors, will be examined. The views from three authors are summarised in Table 2.

Author	Keys to Successful Partnering
Oliver Jones (1995:24)	<ul style="list-style-type: none"> <li>• Clear vision</li> <li>• Open communication - action as well as words</li> <li>• Commitment - from the top</li> <li>• Financial rewards</li> </ul>
Sam Maroli (2000:42)	<ul style="list-style-type: none"> <li>• Outlining shared goals - it is essential to have a clear understanding of each others objectives in relation to the development of the partnership</li> <li>• Defining a shared culture - Parties need to establish a common working approach and organisational values</li> <li>• Ensuring shared learning - Both parties need to make a commitment to learning from both success and failure in order to achieve continuous improvement</li> <li>• Committing to shared effort - A team approach is fundamental to achieving a common aim</li> <li>• Facilitate shared information - An integrated communications and performance monitoring arrangement must be in place to gather information and feedback necessary for continuous improvement</li> <li>• Trust</li> <li>• Open communication</li> <li>• Flexibility</li> <li>• Willingness to change</li> <li>• Transparency of all costs and profits</li> </ul>
Okoroh, Gombera, John, Wagstoff (2001) Pg 163	<ul style="list-style-type: none"> <li>• Openness, trust and commitment on both sides</li> <li>• Sharing power, risks and benefits, and even then, success demands devotion of much time and hard work and staff involvement</li> </ul>

Table 2: Keys to Successful Partnering  
Source: Please refer to table

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In summary the above highlights how commitment and openness are significant attributes to successful partnering. This presents two areas for consideration. Firstly how the shared service objectives are set and accomplished and secondly how the partnering culture of openness is established and maintained.

### *Setting Shared Service Objectives*

The Business Round Table (1996:5) suggest that although establishing service level agreements (SLAs) is often difficult and time-consuming it can be extremely useful in developing mutual understanding. They recommend inviting potential suppliers to a common briefing at pre-qualification stage to set the partnering culture. Interestingly many local authorities have begun to follow this approach as part of their procurement process.

When Pearson (2000:55) looks at specifications for contracts he comments on how unrealistic client expectations and badly written specifications have resulted in the failure of many outsourcing exercises. Inefficient processes for appointing and managing contractors have also contributed to this and Pearson emphasises how “the effective selection of bidders will provide the client with the right expertise and professionalism” because service providers must compete with “ideas and techniques as well as with prices”. This is certainly the case for partnering because “added value” concepts and client focus for service delivery must be clearly communicated during the tendering process. Pearson (2000:54) also warns of the danger when service focuses on the capability of the provider rather than the needs of the client because performance is likely to “be less sharp”. This is a legitimate concern of outsourcing and one a partnering approach would look to address through the concept of collaborative working and learning from each other.

In addressing the issue of setting objectives, the authors Okoroh and Gombera from the University of Derby together with John and Wagstoff of The Derbyshire Royal Infirmary (DRI) (2001:161) examine partnering as applied to FM through DRI’s experience. DRI operated an arrangement that aimed to “prevent or minimise risks, provide best value for money and improve customer care service”. The NHS Trust was mainly interested in the demonstration of cost savings reduction and the addition of value to the organisation from aspiring candidates and the authors suggest service specifications should be based on qualitative and quantitative statements and defined achievable deliverables to ensure this is achieved. This article is valuable to this research report not only because of the focus on reducing expenditure but also because it

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looks at establishing the same trends being investigated through the self-administered survey, namely what FM services are outsourced and what the key priorities are in the relationship.

When Williams (1996:36) looks at appropriate forms for establishing service level requirements he proposes the best way to prevent inefficiency is through the operation of a “facilities policy”. This is owned and endorsed by the “intelligent customer” and should set out the management structure, performance levels and vehicles for service delivery. An important point relating to service requirements and “value adding activities” is made by Williams (1996:28). He argues that desktops specified to be dusted daily and polished weekly, even when there is no clear-desk policy can result in a costly and ineffective specification. He goes on to propose the “value engineered” solution would be to either despecify and reduce costs or clear desks and add value.

Jones (1995:23/24) provides a good conclusion to this part of the literature review when he argues that setting measurable objectives at the beginning of the contracting process is vital. This is because clarity and objectivity are fundamental to making the partnership work and this initial stage provides an opportunity to highlight any potential problems. He also comments that measurement must focus on what is important to the business rather than what is easily measurable and this he suggests can be a key issue when measuring service performance;

“There are some subtle complications in the case of services, as what is often more important is the customer perception of quality rather than the actual level of quality and, in some instances, a fair assessment will often be difficult given the tendency of people to complain rather than compliment. These and similar related points need to be recognised and accommodated.”

This is an important consideration when determining whether partnering is an advantageous approach.

### *Setting the Partnering Culture*

A key element of partnering reflected in the literature is how the softer side of contractual arrangements such as identified roles, communication and management contribute to its success. This is best summarised by The Business Round Table (1996:3);

“While tender documentation may be fine tuned into an effective working manual defining the service itself and the risk/reward relationship, the client and supplier must invest time

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understanding the working culture, establishing lines of contact, providing for conflict management - above all, making sure that the people interacting are briefed, confident and motivated.”

When Maroli (2000:41), who at the time of writing was Managing Director of an FM service provider, looks at successful partnering arrangements he suggests all parties need to have a clear vision of their respective roles and responsibilities. It is his experience that “people development issues are the backbone of developing effective partnering relationships with clients and ensuring that all parties are working collaboratively within an environment of trust, aiming to achieve a common goal”. Training plays a key role in this and organisations should be prepared to invest in people to help them develop the skills, attitudes and techniques required.

Roberts (2001:270), Head of Strategic Facilities Management at Hertfordshire County Council and a visiting Research Fellow at the University of the West of England highlights the role of a “Partnering Champion” in setting the partnering culture. It is the role of this individual “to advocate and promote the benefits of the relationship within both the host and the provider organisations.” He or she should be of a senior position so they can “be detached from the day-to-day management issues, but be able to identify opportunities and resolve problems with the right level of authority”. Interestingly Roberts makes a clear distinction between this position and an Intelligent Client or Contract Manager. Roberts (2001:272) also highlights the need for staff to develop new skills in collaborative working and organisational learning to enable them to form added value alliances between users, business managers and their supply chains.

The Bartlett School of Graduate Studies Strategic Facilities Management Module (2005:10) looks at roles and responsibilities in terms of managing change. It suggests strong leadership is required when implementing a new strategy which relies on education and communication to “persuade” people to adopt the changes and “internalise” them. The Module goes on to suggest how change may require intervention or even coercion to achieve results.

Finally, Irwin (2004:20) emphasises the importance of communication in setting the partnering culture; “Partnering in this instance is essentially about good communications or put another way it is about treating the other party as a fellow human being” The Business Round Table (1996:11) supports this statement and emphasises how finding the right supplier who is compatible with the client’s organisation is of paramount importance.

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This literature review has examined how those in the industry view the partnering concept in the FM context. It is now hoped that the results from the research study will provide quantitative and qualitative findings to illustrate how partnering is being adopted to address the outsourcing problems in FM. This is particularly in terms of proving the evolution process suggested by Moreli. It is also hoped that the research will produce real examples of cases where the public sector have learnt from previous contracts and have looked at setting measurable objectives and placed emphasis on setting a culture of openness to improve performance of the relationship.

With this background to the management dilemma established, the next chapter will look at the methodology adopted when researching whether, in practice, partnering is an advantageous approach for public sector organisations managing their facilities.

## **CHAPTER 3 - METHODOLOGY**

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## METHODOLOGY

The purpose of this chapter is to inform the reader about the design and implementation of the research process. It will first determine how the sample population was selected and then review which research techniques were felt to be most suitable. When looking at the techniques the data collection and analysis methods will be outlined. The chapter will conclude by looking at the limitations presented by each method.

### **Sample Design**

As the management question is focused towards the public sector, only organisations falling into this category were chosen for sampling. Twenty organisations known to be reviewing their estate strategy were approached to respond to a questionnaire. Working on a 50% success rate this ensured that at least 10 organisations would respond. Two of these organisations were also interviewed. The first, a university was met at the initial stages of the research. The second, a central government department invited the researcher to discuss a partnering arrangement in practice after completing the self-administered questionnaire.

The above sample was made up primarily of emergency services organisations, government organisations and universities. This was because all three types of organisations have multiple and diverse property portfolios but have very different core business functions. This allowed a varied sample to be reviewed before generalisations were made.

As the focus of the research was to determine whether partnering is an advantageous approach for public sector organisations, not FM service providers, it was felt that there would be limited value in distributing similar questionnaires to FM service providers. By carrying out personal interviews and secondary data exploration sufficient insight into their views was obtained.

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## Research Design, Data Collection & Data Analysis

In order to obtain the relevant information it was felt that collaborative research through networking, applications research, and knowledge exchange were required (Bev Nutt Lecture Notes 13<sup>th</sup> October, 2005). Three main techniques for investigating the management question were utilised;

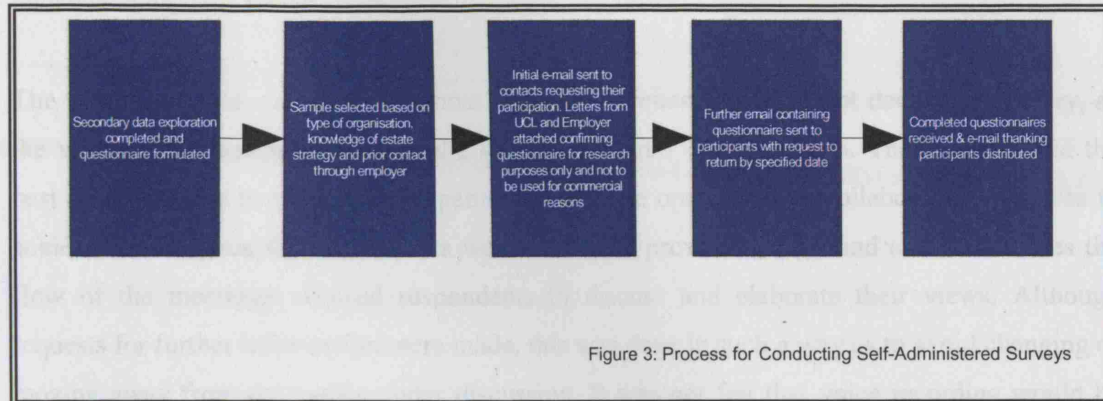
- Distribution of self-administered questionnaires to public sector organisations
- Personal interviews with public sector organisations
- Examination of secondary data case studies

### *Self-Administered Surveys*

As the research aimed to generalise a concept within a wide context it was felt that there was a number of advantages to conducting a self-administered survey. One major advantage was the logistics of the method. Self-administered surveys can be distributed to, and returned by a large number of prospective respondents in a timely and cost efficient manner. The Internet and email have contributed greatly to the distribution of targeted surveys and have made it easier for both the respondent and the researcher. The fact that so many surveys can be distributed to prospective respondents meant that quantitative results were produced in an otherwise qualitative study. Another advantage to self-administered surveys highlighted by Cooper and Schindler (2003:341), is that respondents can remain anonymous should they want to. This is a benefit for this research report because of the commercial implications for the public sector.

When sending out the questionnaires a significant potential problem was the conflict of commercial interest due to the relationship between the researcher, as a service provider, and the sample of organisations. This was overcome by drawing up a letter from the Bartlett School of Graduate Studies at University College London and the researcher's employer confirming the purposes of the investigation. In most cases this presented a solution to any concerns raised by the participating organisations. The respondents were also given an opportunity to state on the questionnaire whether they wished their organisation to remain anonymous. A copy of the letters together with the questionnaire can be found in the Appendices.

To help clarify the implementation process, Figure 3 illustrates the strategy adopted to administer the surveys. The process took approximately four weeks, from formulating the questionnaire to receiving the last completed response.



Questionnaires were distributed to senior staff responsible for facilities as well as individuals responsible for the procurement of services. In instances where it was felt that the individual could not complete the questionnaire an alternative name was requested and in most cases provided.

The questionnaires produced a large amount of quantitative and qualitative data. The analysis had to be focused and therefore concentrated on three key areas;

- Respondents' experience of outsourcing
- How respondents prioritise outsourcing elements partnering attempts to address
- The main advantages and concerns presented by partnering as a concept

In each case the results were entered into a table using Microsoft Excel and then transferred into graphical illustrations to present the findings. As many of the respondents wanted their organisations to remain anonymous it was felt that the results would be listed as Organisation 1, Organisation 2 and so on with a description of the organisation type provided. Direct references to other organisations made within the qualitative responses were also removed.

### *Personal Interviews*

Personal interviews were conducted with two public sector organisations to gain a better understanding of the partnering arrangement as applied to FM services in practice. Personal interviews were used in this investigation for two reasons. Firstly there was the advantage as

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suggested by D Cooper and P Schindler, (2003:325) that probing can take place, and follow up questions asked, to help develop the data sourced through face-to-face interaction. Secondly, observing interviewees and maintaining informal conversations can also prove invaluable in understanding their views.

The interviews took an informal format and specific questions were not deemed necessary, as the interviewees had responded to the self-administered questionnaires. This was deemed the best approach due to the nature of partnering and the openness and collaboration it strives to achieve. In all cases the respondents were invited to provide background and in all cases the flow of the meetings allowed respondents to discuss and elaborate their views. Although requests for further information were made, this was done in such a way as to avoid changing or moving away from the topics under discussion. It was not felt that voice recording would be appropriate and taking short hand notes was deemed more suitable so as not to disrupt the flow of the meeting. Both interviews were approximately one to one and a half hours duration.

The interviews were analysed against the case studies and literature review. The research that had taken place prior to meeting the individuals was very beneficial in understanding the respondents' views and prompting them for further information.

#### *Exploration of Secondary Data Case Studies*

The exploratory phase of any research process is fundamental. First of all it is imperative to establishing background information to generate the research hypothesis and formulate the self-administered questionnaires but secondary data can also be valuable in providing exploratory and explanatory case studies to support the research objectives.

The benefit of reviewing case studies is highlighted by E Gummesson (1991:76) who suggests that they can be particularly valuable in situations where the research aims to provide practitioners with tools to implement strategies. This is because the findings can be readily understood and so it is hoped that the conclusions reached by this report will be strategically valuable to both public sector organisations and FM service providers alike.

The first case study looks at the implementation of a partnering arrangement and the second considers the "before and after" effect of adopting such an approach. Particular reasons for



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selecting these examples were the type of organisation, (i.e. local authority) and the range of FM services they have adopted the partnering strategy for.

## **Limitations**

### *Self-Administered Surveys*

A fundamental limitation with the self-administered surveys is the sample number. It is appreciated that trying to generalise a hypothesis such as the one this report aims to address requires a larger number of public sector organisations to be surveyed. This is however mitigated with support from the literature review, personal interviews and case studies. It is anticipated that the results from the questionnaires will produce findings that meet the set objectives and provide opportunities for further investigation.

### *Personal Interviews*

There were limitations to carrying out personal interviews when compared to other methods of investigations (Cooper and Schindler, 2003:325). These included cost of travelling and finding convenient times to meet with respondents. This second issue was a particular disadvantage when researching the management question, as the working patterns of those employed in the public sector and FM service providers meant that long periods of notice were required when organising the interviews. The time of year the research was carried out also presented problems as many respondents were on holiday. In terms of the results this may result in only a limited viewpoint being obtained.

### *Secondary Data & Case Studies*

When researching case studies it was far easier to source examples where partnering is being adopted for construction projects rather than FM services. Furthermore where relevant case studies were obtained, these only provided examples of successful rather than unsuccessful partnering arrangements therefore resulting in a biased assessment.

Overall the different research methods provided interesting and consistent results. These are recorded and the key findings summarised in the following chapter.

## **CHAPTER 4 - RESULTS**

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## RESULTS

The first part of this chapter will review the responses from the questionnaires and demonstrate the results in tabular and graphical formats to help identify the trends. Following this the key findings from the personal interviews will be summarised and finally two case studies sourced through exploration of secondary data will be presented.

### **Self-Administered Surveys**

There are three key areas to look at when presenting the results from the surveys. The initial two areas provide quantitative findings and the third presents a qualitative assessment. The results will first establish the extent of respondents' experience in outsourcing FM services. Following this, the findings will illustrate how many respondents are aware of partnering as applied to FM and how they prioritise the key factors partnering aims to achieve. Finally the main advantages and disadvantages of the arrangement, as defined by the respondents, are recorded.

The results from the survey are presented initially in tabular format and then as a graphical illustration to help identify different trends and provide a visual representation of the data. A summary of the findings for each set of results is also provided. As the names of organisations cannot be provided due to anonymity, the type of organisation has been described in each table. This will help analyse the results during the discussion.

It should be noted that the answers to Question 5 of the questionnaire have not been recorded here. This is because in hindsight the information obtained took the focus away from the management dilemma and therefore did little to prove or disprove the hypothesis. It was therefore felt best to exclude the results to eliminate confusion and prevent distraction from the focus of the research.

## Experience of Outsourcing

### Question:

Does your organisation currently or has it ever, outsourced FM services to an external supplier? If yes, which type of FM services does or did the supplier provide?

- Support on FM Construction Projects  
(i.e. multidiscipline project management by Building Surveyors, M&E Engineers, CAD etc.)
- Management & carrying out of building maintenance (e.g. planned & emergency maintenance)
- Soft FM Services (e.g. catering, security)
- Total FM

Table of Results:

Item	Organisation 1 (Government)	Organisation 2 (Government)	Organisation 3 (Government)	Organisation 4 (Emergency Services)	Organisation 5 (Emergency Services)	Organisation 6 (Emergency Services)	Organisation 7 (Emergency Services)	Organisation 8 (University)	Organisation 9 (University)	Organisation 10 (University)
Support on FM Construction Projects	NO	YES	YES	NO	NO	YES	YES	YES	YES	YES
Management & carrying out of building maintenance	NO	YES	YES	NO	YES	YES	YES	YES	YES	YES
Soft FM Services	NO	YES	YES	NO	YES	YES	YES	YES	YES	NO
Total FM	NO	YES	NO	NO	YES	YES	YES	NO	NO	NO

### Summary of Findings:

- Only 2 respondents have not outsourced any FM services. These are organisation 1 and 4. This finding is further analysed in Table 7 and Figure 5.
- The other 8 respondents have outsourced more than one type of FM service and the percentage for each service type is illustrated in Figure 4

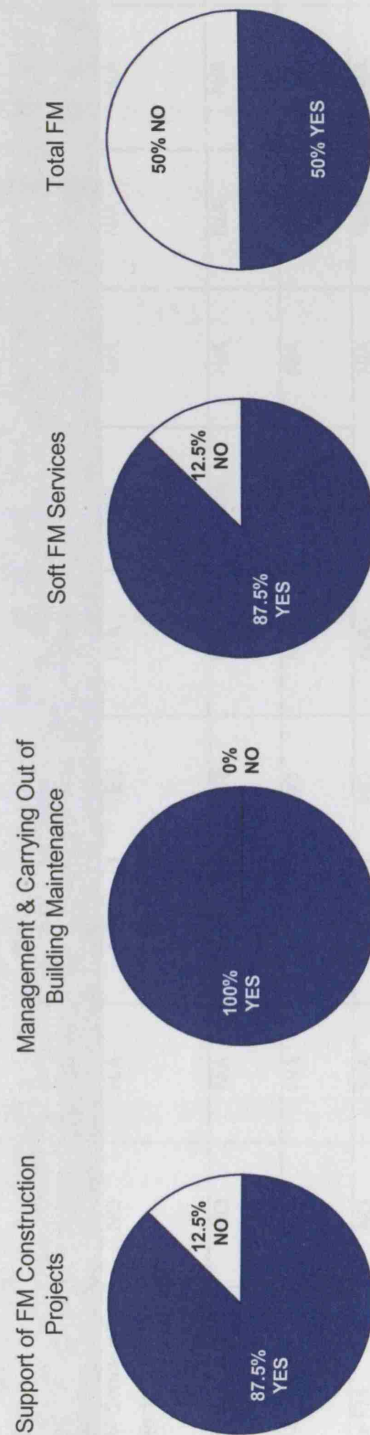
Table 3: Survey Results - Experience of Outsourcing FM

**Question:**

Does your organisation currently or has it ever, outsourced FM services to an external supplier? If yes, which type of FM services does or did the supplier provide?

- (a) Support on FM Construction Projects  
(i.e. multidiscipline project management by Building Surveyors, M&E Engineers, CAD etc.)
- (b) Management & carrying out of building maintenance (e.g. planned & emergency maintenance)
- (c) Soft FM Services (e.g. catering, security)
- (d) Total FM

**Graphical Illustration of Results:**



**Summary of Findings:**

- 1) All respondents, with the exceptions of Organisations 1 and 4, have experience of outsourcing their building maintenance.
- 2) A large majority have experience in outsourcing FM projects and soft FM services
- 3) There is an even split between those who have experience in outsourcing all their services at one time to one service provider and those who do not.

Figure 4: Survey Results - Experience of Outsourcing by FM Service Type

**Question:**

Does your organisation currently or has it ever outsourced FM services to an external supplier for any of the following types of FM services?

- (a) Support on FM Construction Projects  
discipline project management by Building Surveyors, M&E Engineers, CAD etc.)
- (b) Management & carrying out of building maintenance (e.g. planned & emergency maintenance)
- (c) Soft FM Services (e.g. catering, security)
- (d) Total FM

**Table of Results:**

Item	Organisation 1 (Government)	Organisation 2 (Government)	Organisation 3 (Government)	Organisation 4 (Emergency Services)	Organisation 5 (Emergency Services)	Organisation 6 (Emergency Services)	Organisation 7 (Emergency Services)	Organisation 8 (University)	Organisation 9 (University)	Organisation 10 (University)
Support on FM Construction Projects	NO	N/A	N/A	YES	N/A	N/A	N/A	N/A	N/A	N/A
Management & carrying out of building maintenance	NO	N/A	N/A	YES	N/A	N/A	N/A	N/A	N/A	N/A
Soft FM Services	YES	N/A	N/A	NO	N/A	N/A	N/A	N/A	N/A	N/A
Total FM	NO	N/A	N/A	NO	N/A	N/A	N/A	N/A	N/A	N/A

**Summary of Findings:**

- 1) Of the 2 respondents who have not outsourced any FM services they would not pursue a total FM contract.
- 2) The views on the type of services they would outsource differ considerably between the two organisations.

Table 4: Survey Results – Intentions for Outsourcing FM



## Experience of Partnering

### Questions:

Are you aware of the concept of partnering, defined by the Reading Construction Forum, as applied to Facilities Management?

Are you, or have you, ever worked for an organisation working within partnering arrangements as defined above?

### Table of Results:

Organisation	Aware of Partnering as Applied to FM	Experience of Partnering Arrangements
Organisation 1 (Government)	YES	NO
Organisation 2 (Government)	YES	YES
Organisation 3 (Government)	YES	YES
Organisation 4 (Emergency Services)	NO	NO
Organisation 5 (Emergency Services)	YES	YES
Organisation 6 (Emergency Services)	YES	YES
Organisation 7 (Emergency Services)	YES	YES
Organisation 8 (University)	YES	NO
Organisation 9 (University)	YES	YES
Organisation 10 (University)	YES	YES

### Summary of Findings:

- 1) Only the respondent from organisation 4 was not aware of the concept of "partnering" as applied to FM
- 2) A majority of 7 over 3 had experience of the partnering arrangements

Table 5: Survey Results – Awareness & Experience of Partnering

**Question:**

Please rank from 1 to 10, where 10 is the most important and 1 is the least, the following items;

- |   |  |                                    |   |                     |
|---|--|------------------------------------|---|---------------------|
| (a) Commitment (from staff and suppliers) | (b) Communication (with staff and suppliers) | (c) Competitive Advantage          | (d) Financial Costs (of Mobilising & Managing an FM Contract) | (e) Flexibility     |
| (f) Innovation                            | (g) Job Satisfaction for Staff               | (h) Measuring Supplier Performance | (i) Problems Associated with Change Management                | (j) Risk Allocation |

**Results:**

(NB. When recording the results the priority numbers (1 to 10) were reversed to provided a clearer illustration when transferred for graphical analysis)

Item	Organisation 1 (Government)	Organisation 2 (Government)	Organisation 3 (Government)	Organisation 4 (Emergency Services)	Organisation 5 (Emergency Services)	Organisation 6 (Emergency Services)	Organisation 7 (Emergency Services)	Organisation 8 (University)	Organisation 9 (University)	Organisation 10 (University)
Commitment	8	10	7	6	9	8	6	10	5	9
Communication	6	9	10	10	8	10	4	7	10	10
Competitive Advantage	9	1	2	1	2	1	1	1	1	1
Financial Costs	10	3	6	8	10	7	10	6	3	3
Flexibility	4	5	5	3	6	6	7	9	8	5
Innovation	1	7	4	4	3	4	9	8	9	2
Job Satisfaction for Staff	5	6	3	5	4	2	2	2	6	4
Supplier Performance	3	4	1	2	7	9	8	4	7	8
Change Management	7	2	8	9	1	5	3	3	2	6
Risk Allocation	2	8	9	7	5	3	5	5	4	7

**Summary of Findings:**

See Figures 5 and Table 7

Table 6: Survey Results - Priority Ratings for Outsourcing Issues Addressed through Partnering - Responses



Item	Mean Score of All Organisations (rounded up to 0 decimal places)	Standard Deviation with All Organisations Included (rounded up to 0 decimal places)	Mean Score excluding Organisation 1 and 4 (rounded up to 0 decimal places)	Standard Deviation with Organisations 1 and 4 excluded (rounded up to 0 decimal places)	Difference in Mean Scores (rounded up to 0 decimal places)	Difference in Standard Deviation (rounded up to 0 decimal places)
Commitment	8	2	8	2	0	0
Communication	8	2	9	2	1	0
Competitive Advantage	2	2	1	0	1	2
Financial Costs	7	3	6	3	1	0
Flexibility	6	2	6	2	0	0
Innovation	5	3	6	3	1	0
Job Satisfaction for Staff	4	2	4	2	0	0
Supplier Performance	5	3	6	3	1	0
Change Management	5	3	4	2	1	1
Risk Allocation	6	2	6	2	0	0

#### Summary of Findings:

- 1) When analysing the mean score across all items the standard deviation would produce a standard normal distribution curve for each element. A general example is provided below.
- 2) When Organisation 1 and 4 are excluded from the sample as organisations who have not had experience outsourcing, the mean scores only vary by 1 point either higher or lower but this will have little effect on the distribution curve. Further graphical representation of these results is provided in Figure 5.

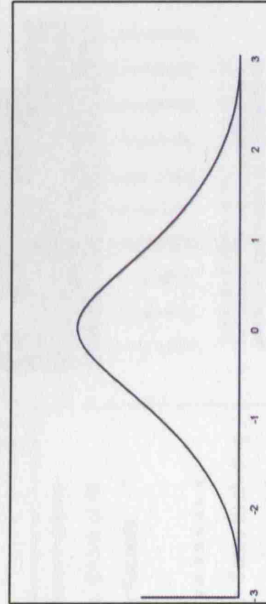


Table 7: Survey Results - Priority Ratings for Outsourcing Issues Addressed through Partnering – Statistical Analysis

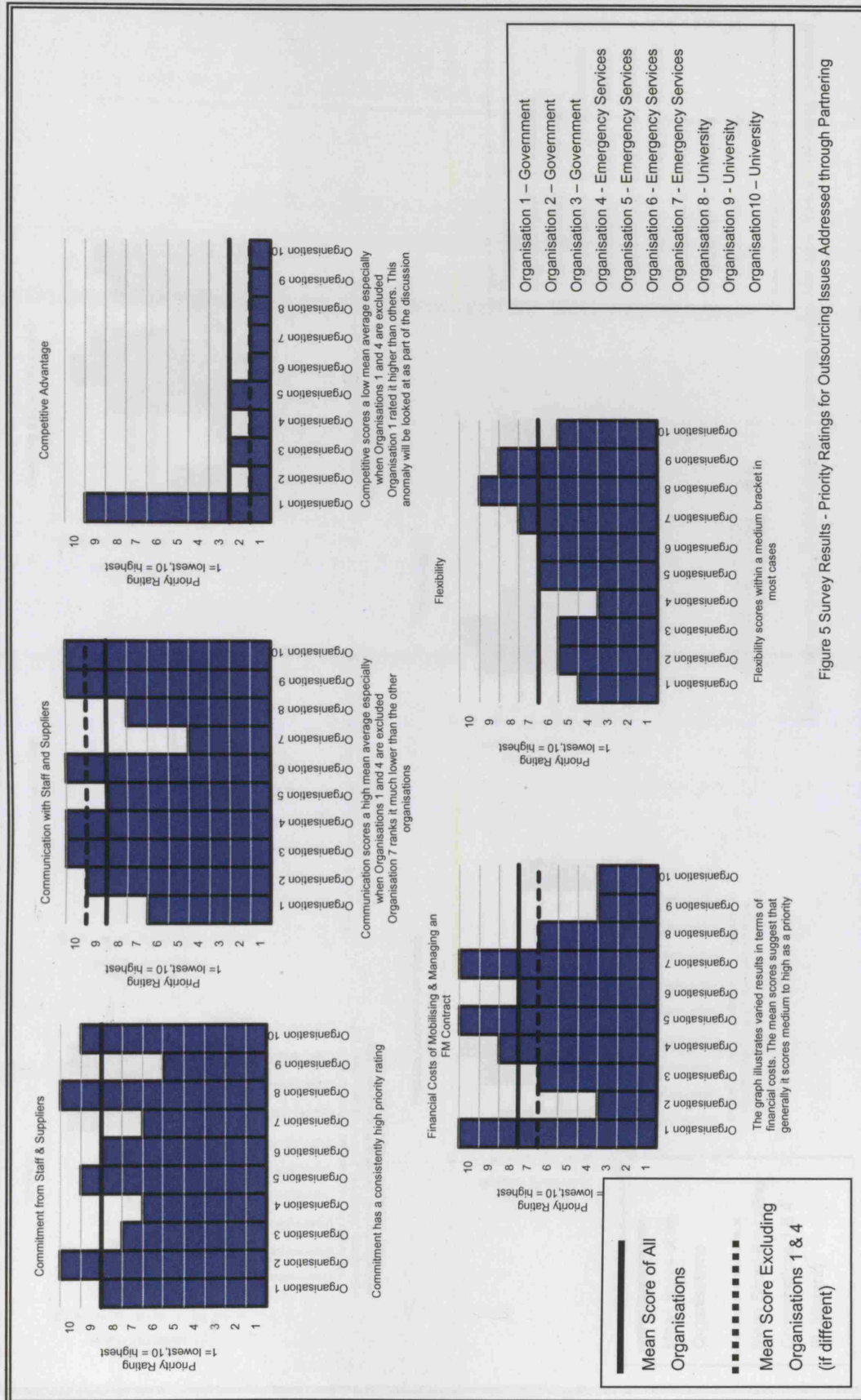


Figure 5 Survey Results - Priority Ratings for Outsourcing Issues Addressed through Partnering

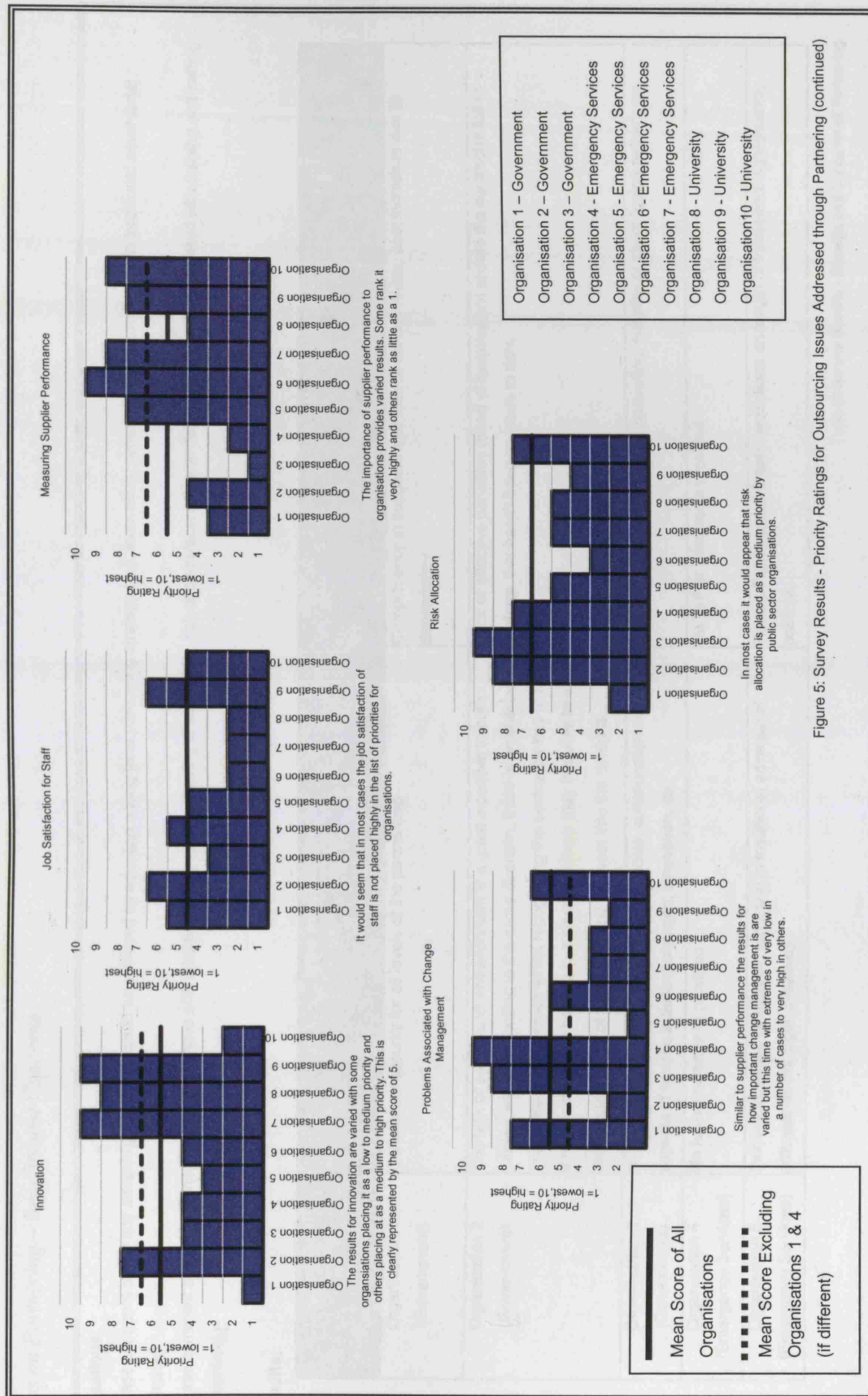


Figure 5: Survey Results - Priority Ratings for Outsourcing Issues Addressed through Partnering (continued)



## Views on Partnering – Benefits and Concerns

### Questions:

Please comment below any advantages you feel could be achieved by adopting a long term partnering strategy (e.g. innovation, sense of security, reduction in traditional adversarial attitudes)

Please comment below any concerns you would have with adopting a long term partnering strategy (e.g. risk of complacency, over dependency, costs associated with training and setting up contract)

### Results:

Organisation	Main Advantages	Main Concerns
Organisation 1 (Government)	Contractual security for all levels of the partnership	Complacency in suppliers and loss of service levels, cost increases due to dependency.
Organisation 2 (Government)	The lack of adversarial entrenchment is a great incentive to both parties, we are all pulling in the same direction, there is an openness in our relationship which whilst recognising the contractor has to make a reasonable profit has led to a situation where they feel able to admit and discuss areas of weakness and to invest into the contract.	Lack of effective penalties (short of termination) should the contractor fail to perform, this hasn't been an issue to date.
Organisation 3 (Government)	Reduced costs through lower overhead costs, collaboration over many aspects of service including changes, innovation, etc.	Risk of complacency, lack of innovation; supplier or client "going native"; etc
Organisation 4 (Emergency Services)	No further comments provided	No further comments provided
Organisation 5 (Emergency Services)	Innovation, sense of security, reduction in traditional adversarial attitudes as per Egan initiatives	Recent Public procurement restrictions on length of framework agreements, political

Table 8: Survey Results - Benefits and Concerns of Partnering

Organisation	Main Benefits	Main Concerns
Organisation 6 (Emergency Services)	The organisation is currently in the process of re-tendering it's FM functions to be divided North and South. The contracts are to be for a 10 year period which should help to ensure greater commitment from the MPS and it's contractors to the provision of a quality service delivery.	Owing to the organisation's past poor experiences with its two previous outsourcing arrangements, it is now looking to enter into longer term arrangements to ensure greater commitment and continuity to service delivery. Greater emphasis has been expended by the organisation on getting the contract conditions correct to suit its particular needs and requirements and to improve the accuracy of the information provided to the tenderers. It is also taking a more commercial view with regard to expectations to tender returns and service delivery.
Organisation 7 (Emergency Services)	We feel its important not to create contracts that are too big to manage and control costs on. The best FM arrangements seem to be very focused on single schemes, buildings or projects. We are acutely aware of how other organisations have struggled to manage very large contracts for FM both quality and costs suffered and that has hit the press. We therefore carefully selected appropriate projects.	We are concerned that some of the very large suppliers of FM solutions in the market care little about the Service they deliver. Keeping a diversity in profile of size of contracts enable a wider profile of bidders.
Organisation 8 (University)	Establishing a sound long term working relationship, which should reduce conflict, and aid dispute resolution.	Costs may creep up as risks will tend to be shared rather than transferred. However this will focus the clients mind to ensure clarity and consistency of approach
Organisation 9 (University)	Sharing of responsibility, information, innovation, development of technology, security, expertise, training opportunities, benefit of association and team ethos.	Dependency, complacency, lack of commitment, loss of control, lack of trust, unequal input or commitment.
Organisation 10 (University)	Knowledge of the Client and their systems, certainty of availability, preventing traditional conflict.	Complacency, Partners lacking continued ethos of Partnering.

#### Summary of Findings

- 1) There are a number of similarities in the proposed disadvantages especially risk of complacency.
- 2) Organisations 2, 6 and 7 offer their own experience in their responses.
- 3) Only Organisation 4 chose not to provide this qualitative data.

Table 8: Survey Results - Benefits and Concerns of Partnering (continued)

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## Personal Interviews

Interviews were carried out with two public sector organisations currently adopting partnering arrangements. The results from the interviews provide a background to why the organisations adopted the partnering strategy for their outsourced FM services. To ensure consistency of results the key findings are summarised against the same partnering elements identified in the questionnaires.

### *Interview 1 – Organisation 10 - A University*

The first interview was conducted with a Project Manager working in the Estates Department of Organisation 10, a university. This interview was extremely valuable in that it provided important background to the partnering concept prior to further research being carried out. The format of the interview was very informal and was conducted in one of the university's leisure areas. There were no structured questions used but short hand notes were taken which are summarised in Table 9.

The Facilities Management Directorate who manages the university's estate currently outsource lift maintenance, fire alarm, intruder alarm, legionella, IT and AV equipment and removals but the traditional core maintenance operations and soft FM services are retained "in house". Although these services are not currently delivered as part of a partnering arrangement the university has adopted a partnering framework for design and construction services on capital projects. This includes both multi-disciplinary service providers and individual companies providing architecture, cost consultancy, structural engineering and mechanical and electrical engineering services. It was noted in the questionnaire and interview that capital schemes operate "early contractor involvement" where the main contractor is appointed on a "pre-construction" basis during the design and then appointed to construct on approval of tendered "cost certainty".

Table 9 provides some of the key findings that support partnering elements such as commitment, finance, innovation, trust, openness and collaboration.



Partnering Element	Interview Findings
Commitment, Finance	<ul style="list-style-type: none"> <li>A mini-tendering process is adopted whereby partners are asked to tender for individual projects. This allows fairness of rotation, competitive pricing and provides partners with the opportunity to review their resource availability to ensure commitment for the project.</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>Suggestions for improving service delivery are communicated in an open manner. For example improvement on how to record and manage room data sheets was suggested by one partner and a new more efficient method has been adopted.</li> </ul>
Trust, Openness and Collaboration	<ul style="list-style-type: none"> <li>Concerns are discussed at all levels of the participating organisations and the traditional adversarial attitudes, whereby the contract document is constantly referred to, has been removed.</li> </ul>

Table 9: Interview Summary - University

### *Interview 2 – Organisation 2 - Central Government Department*

The second interview was conducted with Organisation 2, a central government department and their service provider who are currently operating a partnering arrangement for total management of the organisation's facilities. This interview was original in that both client and supplier were interviewed together but at no time did it feel that views were being held back. It merely emphasised the strength and openness of the relationship. Once again the format of the interview was very informal and was conducted at the client's offices in London. No structured questions were used and the notes obtained are summarised within Table 10.

The interview began with the Property Manager providing background into how the organisation opted for the partnering strategy. As supported by the literature reviewed for this report it had come about as a solution to problems experienced when outsourcing the service to previous suppliers in a "managing agent" role. The original outsourcing strategy had been adopted as a way to utilise the private sector's efficiencies and adapt them to the public sector and also as a result of the Office of Government and Commerce (OGC) focusing towards the "Best Value" concept referred to in the introduction to this report.

The new arrangement with the FM service provider commenced with a tangible agreement setting out the partnering principals. This, as suggested by the Property Manager, made obtaining high-level director buy-in easier to achieve and the element of doubt overshadowing the strategy began to disappear. It was also emphasised in the interview that change management, experience and leadership were vital in establishing the successful relationship.

There were a number of interesting findings from the interview and these are summarised once again against individual partnering elements in Table 10.

Partnering Element	Interview Findings
Financial	<ul style="list-style-type: none"> <li>The partnering agreement does call for a shared financial pain/gain approach, but this is not often called on as it is felt a "swings and roundabouts" system exists where funds overspent in one area are saved in others.</li> <li>There is an annual 3% uplift in the service provider's contract but last year the company only took 2.9% and the remaining 0.1% was invested into ways to make improvements.</li> <li>It is agreed and appreciated that the client/contractor relationship is one of costs/profit.</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>Focus group meetings are held fortnightly where the service provider's staff are asked to provide ideas on how to improve processes or products within their relevant departments Ideas are documented and submitted to the client. Any actions recorded against these ideas are then chased up.</li> </ul>
Trust, Openness and Collaboration	<ul style="list-style-type: none"> <li>The team is such that a sense of letting down a colleague not a client prevails when something goes wrong.</li> <li>If problems occur faults or blame is not allocated to one side who then have to deal with it. Problems are resolved by both parties.</li> <li>All parts of the client and suppliers team are co-located including account departments.</li> </ul>

Table 10: Interview Summary – Central Government Department



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## Case Studies

The research also explored two separate case studies. The first looks at partnering in operation and how Greenwich Council adopted the strategy to improve performance on their planned maintenance programme. The second considers the steps taken by the Benefits Agency to successfully implement a partnering contract.

### *Case Study 1 - Greenwich Council*

The following case study was found in the *Repair it with Effective Partnering* paper produced by the Building Research Establishment (BRE). It provides a clear illustration of how problems experienced by Greenwich council were addressed in 2001 when they decided to introduce a partnering approach to procuring and managing FM services. The contract covered the delivery of day-to-day repairs, major repairs, voids, out of hour's emergencies and planned works. Greenwich Council used the Term Partnering Contract (TPC) 2001 form of contract, which has now been superseded by TPC 2005. The contract provides a "foundation and route map for term partnering" and covers the elements stated in Figure 6.

- An order-based system governing any type of term works or services over an agreed period.
- Transitional provisions dealing with mobilisation (TUPE) issues and client assets.
- Processes for continuous improvement including value engineering, value management, training/employment initiatives and improved IT communications.
- Use of a partnering timetable and a risk register to support key activities.
- Development of an open book and other pricing options combined with supply chain partnering and agreed incentives.
- Systems for early warning, proactive change management and risk management.
- Systems for non-adversarial problem solving.

Figure 6: Case Study 1 - Greenwich Council - Term Partnering Contract (TPC) 2001 now 2005  
Source: Prior & Nowak 2005:29

When awarding the partnering contracts to four areas, three were granted to the council's direct labour organisation, Greenwich Building Services, and the fourth area was awarded to Kier Building Maintenance Ltd. The contracts had an initial term of five years extendable to ten years based on performance measured against the indicators illustrated in Table 11. The table clearly illustrates how the adoption of partnering has improved performance across a number of areas.

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## Case Studies

The research also explored two separate case studies. The first looks at partnering in operation and how Greenwich Council adopted the strategy to improve performance on their planned maintenance programme. The second considers the steps taken by the Benefits Agency to successfully implement a partnering contract.

### *Case Study 1 - Greenwich Council*

The following case study was found in the *Repair it with Effective Partnering* paper produced by the Building Research Establishment (BRE). It provides a clear illustration of how problems experienced by Greenwich council were addressed in 2001 when they decided to introduce a partnering approach to procuring and managing FM services. The contract covered the delivery of day-to-day repairs, major repairs, voids, out of hour's emergencies and planned works. Greenwich Council used the Term Partnering Contract (TPC) 2001 form of contract, which has now been superseded by TPC 2005. The contract provides a "foundation and route map for term partnering" and covers the elements stated in Figure 6.

- An order-based system governing any type of term works or services over an agreed period.
- Transitional provisions dealing with mobilisation (TUPE) issues and client assets.
- Processes for continuous improvement including value engineering, value management, training/employment initiatives and improved IT communications.
- Use of a partnering timetable and a risk register to support key activities.
- Development of an open book and other pricing options combined with supply chain partnering and agreed incentives.
- Systems for early warning, proactive change management and risk management.
- Systems for non-adversarial problem solving.

Figure 6: Case Study 1 - Greenwich Council - Term Partnering Contract (TPC) 2001 now 2005  
Source: Prior & Nowak 2005:29

When awarding the partnering contracts to four areas, three were granted to the council's direct labour organisation, Greenwich Building Services, and the fourth area was awarded to Kier Building Maintenance Ltd. The contracts had an initial term of five years extendable to ten years based on performance measured against the indicators illustrated in Table 11. The table clearly illustrates how the adoption of partnering has improved performance across a number of areas.

Performance Indicators	Performance 2002 to 2003	Performance 2003 to 2004	Target TPC 2004 to 2005
Percentage of urgent repairs completed in government time limits	67%	72% (including some qualifying jobs outside remit of TPC) 95% (TPC contract)	95%
Average time to complete non-urgent response repairs	18 days	11 days	11 days
Percentage of repair jobs where appointment made and kept by the council	47%	59%	68%
Average time for void turn around including re-let	43 days	33 days	30 days
Tenant satisfaction with the council	N/A	90+%	95+%
Tenant satisfaction with contractor	95%	95%	95+%
Percentage of formal complaints recorded against complete orders	N/A	Less than 1%	Less than 0.5%
Quarterly analysis of injuries, health and safety default notices and Health & Safety Executive reportable incidents	N/A	Less than 0.5%	Less than 0.25%

Table 11: Case Study 1 - Greenwich Council - Partnering Responsive Maintenance Performance Indicators  
Source: Prior & Nowak 2005:37

Prior and Nowak concluded that the partnering contract “challenged the traditional client and contractor structure” because it set clear and prescribed mechanisms for communication and dispute resolution. This was further sustained in that all those in the partnership were responsible for acting on “early warning” signs and had a “duty to inform”. Trust, communication and joint working were also increased through the use of open book accounting.

Figure 7 provides a summary of the problems experienced by the council and how partnering improved performance of the relationship;

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**Problems Before Adoption of Partnering Arrangement**

- Performance levels below the expectations of the council and its tenants
- Poor customer satisfaction
- Difficulties in implementing change
- Poor rates of improvement
- No collective ownership of the service
- Unimaginative problem solving

**Improvements After Adoption of Partnering Arrangement**

- Re-let times were reduced by 10 days
- The average time to complete non-urgent repairs was reduced by 7 days
- The number of repairs completed by appointment increased from 47% to 59%
- The percentage of urgent repairs completed within government time limits increased to 95%
- Satisfaction levels rose to 95%
- Complaints were reduced
- A good health and safety record was achieved with no reportable major incidents

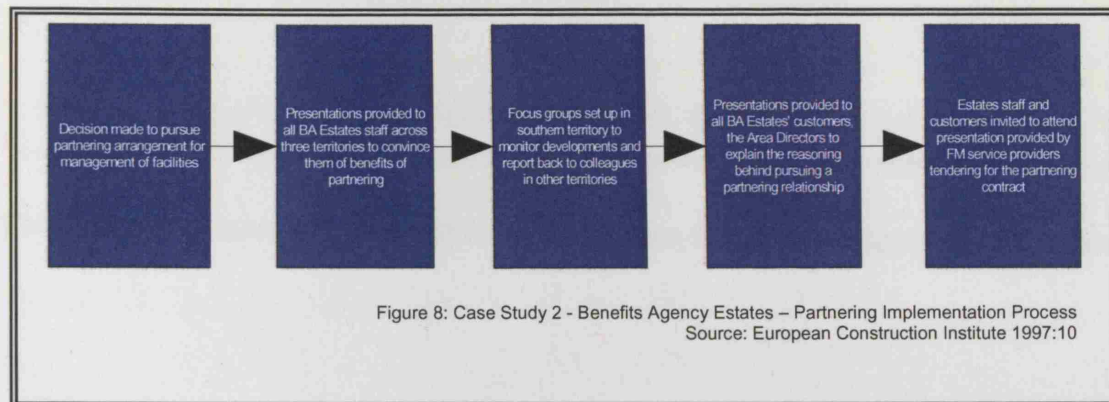
Figure 7: Case Study 1 - Greenwich Council - Problems Prior to and Improvements After Partnering  
Source: Prior & Nowak 2005:37

### *Case Study 2 - Benefits Agency*

The European Construction Institute in their publication titled *Partnering in the Public Sector – A Toolkit*, presents the following case study. It looks at the implementation process pursued by the Benefits Agency (BA), now part of the Department for Work and Pensions, when they adopted a partnering arrangement for the management of their estate.

In 1996, when BA Estates decided to pursue the partnering route, their customer, the agency itself operated across three territories, which were further sub divided into 159 local management units. The first stage of the implementation process was to give all estate staff in the three territories a presentation. The Southern Group who had been elected to pioneer the arrangement set up a user group to observe developments and communicate feedback to the other territories. The main aim was to convince all the estates staff of the benefits of partnering and it was also important to ensure that their customers, i.e. BA's area directors, accepted the reasoning behind the need for such a relationship. Individually tailored presentations were provided for both parties to address this. Communication was key to implementing the relationship and following the presentations, all staff were kept informed of developments through user group meetings. More importantly when the service providers tendering for the contract were invited to present to BA as part of the procurement method, a number of estates

staff were invited to attend so they could contribute to the decision making process. Figure 8 illustrates the process pursued by BA Estates.



The European Construction Institute concluded that this example “demonstrates the care that has taken to instil commitment within an organisation that has decided to partner”.

The results presented in this chapter have summarised interesting findings but these need to be discussed in relation to how they have met the objectives set by this research. This is provided in the following chapter.

## CHAPTER 3 - DISCUSSION

## **CHAPTER 5 - DISCUSSION**

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## DISCUSSION

As stated in Chapter 1 the research had three key objectives. This chapter will now assess how the research has addressed these and in doing so answered the management question of whether partnering is an advantageous approach for public sector organisations. The discussion will also look at the anomalies and highlight where improvements in the research design and methodology could have been made.

### Meeting the Research Objectives

At this stage it is worth summarising once again the research objectives. The first objective was to look at whether partnering as a strategy addresses the concerns raised by outsourcing. The second objective was to establish whether the partnering elements are aligned to those required by public sector organisations. The final objective was to determine how the partnering arrangement can be successfully implemented and managed.

#### *Research Objective 1 - Is Partnering A Solution For Addressing Concerns Raised By Outsourcing?*

When reviewing the literature it was clear that some authors are still cautious about outsourcing FM services and the negative relationships that can develop between clients and service providers. The literature review suggested that an evolution process has taken place from traditional outsourcing to partnering to move away from this type of relationship and it was hoped the results from the research would provide evidence of this process taking place.

The first demonstration of this objective being met is provided by the results of the self-administered survey. First of all it is clear that public sector organisations are set to continue outsourcing and aware of the partnering concept as applied to FM. Specifically related to this objective is that when commenting on proposed advantages of the partnering arrangement, Organisations 2, 5, 8 and 10 all refer to the reduction in traditional adversarial relationships. The most significant responses were from Organisation 6 who stated, "Owing to the organisation's past poor experiences with its two previous outsourcing arrangements, it is now looking to enter into longer term arrangements to ensure greater commitment and continuity to service delivery" and Organisation 2 who remarked "the lack of adversarial entrenchment is a great incentive to both parties."

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Organisation 2 provided further evidence of the evolution process and meeting the first research objective during the personal interview when it was explained that the strategy had been implemented in response to problems with adopting the traditional managing agent role and they had therefore moved towards a more collaborative arrangement. This view is similar to that of Organisation 10 who said in the interview that they had implemented the partnering arrangement to distract from the constant referral to contract documents as is often the case with outsourcing arrangements when suppliers do not want to provide a service deliverable because although beneficial to the client was not outlined in the original documentation.

Finally, the Greenwich Council case study illustrated how using a partnering form of contract that “set and prescribed mechanisms for communication and dispute resolution” improved the performance of its DLOs providing planned maintenance services. This once again illustrated how adversarial attitudes can be avoided as long as communication and openness is actively encouraged.

*Research Objective 2 - Is There An Alignment Between The Needs Of Public Sector Organisation And The Key Elements Partnering Attempts To Address?*

The literature review was vital in establishing what the key elements of partnering were but it was the self-administered survey that looked at how public sector organisations prioritise their requirements for an outsourcing contract. Italics have been used to highlight the partnering elements under review.

The graphs in Chapter 4 illustrated that a clear trend is apparent when ranking *communication* and *commitment*, which generally scored high, *competitive advantage* which always scored low, (with one exception which will be explained when looking at anomalies) and *job satisfaction of staff* which generally received a low to medium priority rating. Interestingly although all the mean results would produce a normal distribution curve, it was only these four elements where clear agreement between the respondents was specifically highlighted. The other elements including *innovation*, *supplier performance*, *problems associated with change management* and *risk allocation* varied considerably with some respondents rating them very high and some rating them very low.

One possible reasons for this might be the different types of organisations surveyed. For example Organisations 9 and 10 are universities and therefore *change management* may not be as difficult as for Organisations 4, 5, 6 and 7 which are Emergency Services operators. This



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theory however could not be applied across the board as these organisations differ considerably in their view of *innovation*. Another reason might be based on previous experience which may have made them more conscious of one element over another and this experience will differ depending on the core business of the organisation. It is however proposed that as *communication* and *commitment* are fundamental in partnering arrangements and rated highly by public sector organisations this objective has, to a certain extent, been met by the results of the survey.

The personal interviews support the second objective specifically in terms of *innovation* and the *openness* in which new ideas are discussed. Tables 9 and 10 both provide practical examples of how the organisations are operating elements of partnering and specific examples include improved *communications* at all levels between client and supplier and clear examples of *innovation* brought on by recommendations from the supplier.

Finally, the Benefits Agency case study demonstrated how *communication* played such an important part in making the partnership strategy work. Although this may cross over to the third objective it supports and emphasises why public sector organisations rate this element so highly and this due to the strong management and leadership required when driving forward change.

### *Research Objective 3 - How Can Partnering Be Successfully Implemented To Make It An Advantageous Approach?*

Once again the literature review provided the background to the type of issues to consider when looking at how the partnering relationship can be successfully implemented and managed to make it an advantageous approach. This included first of all establishing measurable objectives and secondly setting an appropriate culture in which the relationship operates. This discussion will now look at whether the findings from the research support these views.

The qualitative responses to the self-administered surveys provided useful suggestions on how to successfully implement the strategy and these were certainly in line with those proposed by the literature review. To help illustrate this clearly it is worth looking at and marrying up examples of statements made by authors reviewed in Chapter 2 with those offered in respondents' completed questionnaires. Examples of these are provided in Table 12 and the first refers specifically to failure of outsourcing contracts.

	Comments made in Literature Review	Comments made in Self-Administered Surveys
Setting Shared Service Objectives	<i>Pearson (2000:55)</i> Unrealistic client expectations and badly written specifications have resulted in the failure of many outsourcing exercises. Inefficient processes for appointing and managing contractors have also contributed to this and Pearson emphasises how "the effective selection of bidders will provide the client with the right expertise and professionalism" because service providers must compete with "ideas and techniques as well as with prices."	<i>Organisation 6;</i> Owing to the organisation's past poor experience's with its two previous outsourcing arrangements, it is now looking to enter into longer term arrangements to ensure greater commitment and continuity to service delivery. Greater emphasis has been expended by the organisation on getting the contract condition's correct to suit it's particular needs and requirements and to improve the accuracy of the information provided to the tenderers. It is also taking a more commercial view with regard to expectations to tender returns and service delivery.
Setting Partnering Culture	<i>Irwin (2004:20)</i> Partnering in this instance is essentially about good communications or put another way it is about treating the other party as a fellow human being.	<i>Organisation 2</i> The lack of adversarial entrenchment is a great incentive to both parties, we are all pulling in the same direction, there is an openness in our relationship which whilst recognising the contractor has to make a reasonable profit has led to a situation where they feel able to admit and discuss areas of weakness and to invest into the contract.  This was further elaborated by Organisation 2 in the personal interviews.

Table 12: Alignment of Views from Literature Review & Survey Results

The personal interviews also offered helpful insight into what makes a partnering arrangement an advantageous strategy to pursue. In the case of Organisation 2 and their FM service provider, the partnering document was a useful tool at the beginning of the contract to help set out the objectives and to communicate the ethos at all levels of both organisations. It was however specifically highlighted in the interview that as the relationship developed the contract document was not referred to as a way to justify or excuse either the contractor or client's contractual obligations.

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Both case studies were extremely valuable as they provided real evidence of successful implementation. The Benefits Agency example illustrated how commitment to the concept of partnering from staff and customers of the FM team is key to successful partnering. To achieve this the case study highlighted the importance of keeping staff involved and informed from inception to completion of the change process. This was proven to be vital if all parties were to enjoy the benefits of the partnering arrangement and this theory supports the statement made by the Strategic FM Module when it looked at managing change. The Greenwich Council case study suggested the use of the TPC form of contract as it provided a foundation and suggested processes for managing the contract. The results in Table 11 then illustrated how the adoption of this contract did indeed improve the performance across eight indicators as well as addressing the problems presented in Figure 6. This was especially in terms of meeting the expectations and requirements of the council's customers; implementing change; taking ownership of service and problem solving.

### **Anomalies & Distinctive Results**

As can be seen from the above, the findings presented a number of interesting results, with clear consistencies supporting the research objectives. There were also however a number of anomalies and diverse results and these are now considered and reasons for their existence suggested.

The most obvious anomalies illustrated by the results are highlighted in Figure 5. Firstly Organisation 1 rated *competitive advantage* very highly when all other organisations had ranked it so low. It is fair to say that traditionally the public sector has not been as competitive as the private sector because there is not the same level of choice and competition for the services they provide or the industry they operate in. For example Universities have often dictated student admissions. The reason for this difference may therefore be that Organisation 1 is more accountable to public opinion than the others. Another reason might be the role of the respondent completing the questionnaire. If this was a consultant rather than the client, they may have been communicating the service provider's view rather than the organisation's. Secondly Organisation 7 ranked *communication* much lower than the other organisations. This is interesting, as one would expect an Emergency Services Organisation to see communication as a priority. An explanation for this may be that Organisation 7 is confident with the communication between the client and supplier and therefore prioritise elements of concern higher.

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A further slightly surprising result from the surveys was although a vast majority of 85% to 100% had experience of outsourcing all FM service types, only 50% would consider a total FM contract. Reasons for this may be a requirement for the flexibility of using multiple service providers or security of using a provider of only one type who the organisations are comfortable with.

Finally, it is interesting to note that when responding to Question 10 of the survey only Organisation 5 referred to external sources of concern, namely political support or pressure and public procurement restrictions. All other respondents had focused on the concerns around the internal relationship.

### **Comments on Research Design and Methodology**

While it is felt that the results have predominantly answered the management question there are improvements which could be made to the design and methodology of the research.

Firstly, it is appreciated that there should be more than ten organisations surveyed in order to generate a stronger support for the hypothesis. Twenty surveys in total were distributed and only 50% of these were returned. In most cases the reasons why respondents could not complete the questionnaires was due to time commitments and the time of year in which the research was completed. Future investigations will certainly allow an increased amount of notice and a far larger sample of respondents. In turn this would allow for more interviews to be carried out.

The second comment to be made refers to the design of the questionnaires. Although some very valuable results were obtained, in hindsight some of the questions, such as Question 5 did not obtain such constructive responses in terms of meeting the research objectives. It did however provide a background to the organisation. It could also be seen from the responses to the qualitative questions that the examples were perhaps too prescriptive and respondents did not elaborate on them. This meant that some of the responses did not provide much insight.

Limitations may have resulted in the fact that only successful case studies were explored. Future and more extensive investigations should aim to review those that have been both successful and unsuccessful to give a more objective analysis. Similarly the interviews only illustrated qualitative assessments of improvements where partnering was adopted. No evidence was provided to illustrate quantitative examples of improved financial performance or meeting higher KPI targets.

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Finally, if conducting the research again, more extensive investigation would be made into the results across particular sectors and geographical locations.

## **CHAPTER 6 - CONCLUSION**

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## CONCLUSION

It is proposed that the research for this report has succeeded in illustrating how the partnering concept as applied to FM has come about and why it can be an advantageous approach for public sector organisations. The final chapter will conclude by looking at recommendations and opportunities for further investigation.

### **Recommendations**

The results from this research suggest that with public sector expenditure reaching £550 billion in 2005/06 and with FM accounting for 10% to 20% of operational costs, outsourcing of this non-core business activity is likely to continue. As this is to be the case, then the partnering strategy must be considered as a solution to the adversarial contract arrangements. This research has highlighted that a number of public sector organisations are already adopting this strategy for this reason.

The above figures will also ensure that the “Best Value” concept remains high on the Government’s agenda and with this comes higher emphasis on partnering to provide a platform for innovation and an environment for organisations to exchange ideas in pursuit of continuous improvement. This can be an advantage when managing individual FM projects as well as a range of soft FM services and will help public sector organisations improve the efficiency and effectiveness of the built environment and how it meets the operational and strategic needs of the core business.

### **Opportunities for Further Investigation**

The intention of this report was to propose the partnering concept for FM. There are now a number of opportunities for further research.

First of all there is an opportunity to carry out supplementary investigations into the anomalies and distinctive results previously discussed. These include examining how consistent or different views are across the same type of public sector organisations using a larger but more specified sample of organisations e.g. universities. For example do these vary by geographical location? It would also be interesting to explore why certain organisations choose a single total FM supplier when others prefer multiple service providers. Is this a question of security over flexibility? Finally the discussion highlighted that only one organisation considered external

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forces in determining strategies for procuring and managing FM services. Future changes in public policy might affect the strategies pursued by public sector organisation. Is then the partnering arrangement biased towards larger organisations able to offer a fuller range of services rather than smaller specialist firms?

There are a number of other opportunities outside of the examples directly presented by this report. The concept as a strategy is still in its infancy and more time is needed to look at the full life span of the arrangement. For example how easy is it for the client and service provider partners to move on and how many cases are there of the relationship not realising it's full potential. One could also investigate the human and personnel side. Legal requirements such as staff transferring and training are fundamental considerations to explore when adopting any outsourcing strategy and the partnering concept presents a new angle in which to consider this.



## **APPENDICES**

## **Appendix 1 - Covering Letter from Employer**

Scott Wilson  
Scott House, Basing View  
Basingstoke, Hampshire  
RG21 4JG  
United Kingdom

Phone: +44 (0)1256 310200  
Fax: +44 (0)1256 310201  
www.scottwilson.com



Direct Line: 01256 310 200  
email:

Your Reference:

Our Reference: AF/LC/MSc Report

Date: July 2006

Dear Sir or Madam,

**MSc Research Report Questionnaire**

I am writing to confirm that Scott Wilson Ltd is currently sponsoring Lucy Carraz to complete her MSc in Facility and Environment Management at University College London.

Lucy is in the process of writing her MSc research report titled; **"Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations"** and as part of this research she is required to approach public sector organisations to obtain their views. This letter is to confirm that any information obtained through this process is solely for the benefit of her report and will not be used in any way that may be interpreted as commercially inappropriate.

Should you have any enquiries regarding this exercise please do not hesitate to contact either Lucy or myself.

Yours sincerely  
for SCOTT WILSON LTD



Andrew Friedrich

**Scott Wilson Ltd - Part of the worldwide Scott Wilson consultancy group**  
Registered in England: No 880228 Registered Office: Scott House, Basing View, Basingstoke, Hampshire RG21 4JG  
Offices in: Abingdon, Ashford, Basingstoke, Belfast, Birmingham, Bristol, Chesterfield, Crewe, Derby, Dublin, Edinburgh, Glasgow, Guildford, Inverness, Leeds, Liverpool, London, Manchester, Mansfield, Matlock, Newcastle-upon-Tyne, Nottingham, Peterborough, Plymouth, Swindon, Telford, York and over 30 offices worldwide

## **Appendix 2 - Covering Letter from University College London**

**The Bartlett School of Graduate Studies**  
UCL Faculty of the Built Environment  
Torrington Place Site  
Gower Street  
London WC1E 6BT  
t +44 (0)20 7679 1738  
f +44 (0)20 7813 2837

July 2006

Dear Sir or Madam,

I am writing to confirm that Lucy Carraz is currently studying an MSc in Facility and Environment Management at University College London and is in the process of writing her MSc research report titled; **"Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations"**.

As part of her research, I understand that Lucy needs to approach public sector organisations to obtain their views. This letter is to confirm that any information obtained through this process is solely for the benefit of her report and will not be used in any way that may be interpreted as commercially inappropriate.

Yours sincerely,

**Peter McLennan**

### **Appendix 3 – Example of Covering Email To Request Participation**

**Lucy Carraz**

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**Subject:**

MSc Research Report - Partnering and Facilities Management

Dear Mr Smith,

I am currently being sponsored by Scott Wilson to complete my MSc in Facility and Environment Management at University College London and I am in the process of completing my MSc Research Report titled; "**Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations**". The report aims to establish whether the concept of "partnering" as an outsourcing strategy is appropriate and beneficial to the public sector and as part of my research I am looking at approaches currently adopted by organisations such as Thames Valley Police towards facilities management as well as how the different elements of "partnering" are viewed.

In order that I can collate this information I have highlighted Thames Valley Police as an organisation that could provide valuable insight. All information received will be for the sole purpose of my research and I attach one letter from my university and one letter from Scott Wilson confirming this.



UCL Letter.pdf



SW Letter.pdf

I will be sending out the questionnaires which include 10 questions and should take only a short time to complete on **Monday 17th July 2006** requesting their return by **Friday 28th July 2006**. I would be grateful if you could please confirm that you are happy to take part in this research by using the voting buttons above. If I do not hear from you within the next few days I will send you the questionnaire but offering you the option once again to decline participation. If you feel that there is someone more suitable than yourself to respond to the questionnaire I would be very grateful if you could please forward me their contact details.

Many thanks in advance and I look forward to receiving your views.

Kind regards,

Lucy Carraz

Appendix 2 - Example of Covering Email with Distribution of Questionnaire

#### **Appendix 4 – Example of Covering Email with Distribution of Questionnaire**



**Lucy Carraz**

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**Subject:** MSc Research Report - Partnering and Facilities Management

Dear Mr Smith,

Many thanks for agreeing to participate in my MSc research. Once again I assure you that any information obtained will be used for the sole purpose of my MSc report but should you have any concerns or queries please do not hesitate to contact me.

Further to my previous email please find attached the 3 page questionnaire which includes 10 questions and should only take a short time to complete. I would be very grateful if you could please complete the questionnaire electronically and return it to me to at this email address ([lucy.carraz@scottwilson.com](mailto:lucy.carraz@scottwilson.com)) by Friday 28th July 2006.



Questionnaire -  
PSO.doc

Many thanks once again for your time and I look forward to receiving your completed questionnaire.

Kind regards,

Lucy Carraz

## **Appendix 5 – Questionnaire Distributed to Public Sector Organisations**

"Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations"  
MSc Report Questionnaire - Public Sector Organisations

Please answer ALL questions.

Name	
Position	
Organisation	
Please confirm whether you wish your organisation to remain anonymous?	

1	Does your organisation currently or has it ever outsourced FM services to an external supplier?  If yes, please go to Question 2 If no, please go to Question 3	(* Please delete as appropriate)  Y/N*
2	If yes, which type of FM services does or did the supplier provide;  (a) Support on FM Construction Projects (i.e. multidiscipline project management by Building Surveyors, M&E Engineers, CAD etc.) (b) Management & carrying out of building maintenance (e.g. planned & emergency maintenance) (c) Soft FM Services (e.g. catering, security) (d) Total FM	(* Please delete as appropriate)  Y/N*  Y/N*  Y/N*  Y/N*
3	If no, have you considered using an external supplier for any of the following types of FM services;  (a) Support on FM Construction Projects (i.e. multidiscipline project management by Building Surveyors, M&E Engineers, CAD etc.) (b) Management & carrying out of building maintenance (e.g. planned & emergency maintenance) (c) Soft FM Services (e.g. catering, security) (e) Total FM	(* Please delete as appropriate)  Y/N*  Y/N*  Y/N*  Y/N*

"Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations"  
MSc Report Questionnaire - Public Sector Organisations

4	What type of outsourcing contract do you currently have or would you put in place with an FM service provider?	(* Please delete as appropriate)
	(a) All FM Services managed and supplied internally	Y/N*
	(b) All FM Services outsourced to <b>ONE</b> external provider (Total FM)	Y/N*
	(c) FM Services outsourced to <b>MORE THAN ONE</b> external provider.	Y/N*
5	<p>If your response to any part of questions 2 or 4 was <b>YES</b> please state when you started outsourcing, average duration of contracts and the name of the organisation currently providing the service.</p> <p><b>Type of Service:</b> Support on FM Construction Projects  <b>Date first outsourced:</b>  <b>Average duration of contract:</b>  <b>FM Service Provider currently delivering the service:</b></p> <p><b>Type of Service:</b> Management &amp; Carrying Out Of Building Maintenance  <b>Date first outsourced:</b>  <b>Average duration of contract:</b>  <b>FM Service Provider currently delivering the service:</b></p> <p><b>Type of Service:</b> Soft FM Services  <b>Date first outsourced:</b>  <b>Average duration of contract:</b>  <b>FM Service Provider currently delivering the service:</b></p> <p><b>Type of Service:</b> Total FM Services  <b>Date first outsourced:</b>  <b>Average duration of contract:</b>  <b>FM Service Provider currently delivering the service:</b></p>	

"Partnering in Facilities Management: An Advantageous Approach for Public Sector Organisations"  
MSc Report Questionnaire - Public Sector Organisations

6	<p>The Reading Construction Forum defines <i>Partnering</i> as " a managerial approach by two or more organisations to achieve specific business objectives by maximising the effectiveness of each participant's resources. The approach is based on mutual objectives, an agreed method of problem resolution and an active search for continuous improvement"</p> <p>Are you aware of this concept of partnering as applied to Facilities Management?</p>	<p>(* Please delete as appropriate)</p> <p>Y/N*</p>
7	<p>Are you, or have you, ever worked for an organisation working within partnering arrangements as defined above. If YES please provide details within the box below.</p> <div data-bbox="347 815 1177 853" style="border: 1px solid black; height: 17px; width: 520px;"></div>	<p>(* Please delete as appropriate)</p> <p>Y/N*</p>
8	<p>Please rank from 1 to 10 (where 1 is the most important and 10 is the least) the following items;</p> <ul style="list-style-type: none"> <li>(a) Financial costs of mobilising and managing an FM contract</li> <li>(b) Communication (with contractors and stakeholders)</li> <li>(c) Innovation</li> <li>(d) Job satisfaction for staff</li> <li>(e) Risk allocation</li> <li>(f) Problems associated with change management</li> <li>(g) Flexibility</li> <li>(h) Commitment (from staff and suppliers)</li> <li>(i) Measuring supplier performance</li> <li>(j) Competitive advantage</li> </ul>	<p>Please enter number</p>
9	<p>Please comment in the box below any advantages you feel could be achieved by adopting a long term partnering strategy (e.g. innovation, sense of security, reduction in traditional adversarial attitudes)</p> <div data-bbox="347 1671 1358 1727" style="border: 1px solid black; height: 25px; width: 633px;"></div>	
10	<p>Please comment in the box below any concerns you would have with adopting a long term partnering strategy (e.g. risk of complacency, over dependency, costs associated with training and setting up contract)</p> <div data-bbox="347 1895 1358 1951" style="border: 1px solid black; height: 25px; width: 633px;"></div>	

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